

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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**In re** : **Chapter 11 Case No.**  
**MOTORS LIQUIDATION COMPANY, et al.,** : **09-50026 (REG)**  
**f/k/a General Motors Corp., et al.** :  
**Debtors.** : **(Jointly Administered)**  
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**QUARTERLY REPORT BY AP SERVICES, LLC  
OF COMPENSATION EARNED AND EXPENSES INCURRED  
FOR THE PERIOD FROM SEPTEMBER 1, 2010 THROUGH NOVEMBER 30, 2010**

Exhibit A – Summary of Compensation and Expenses

Exhibit B – Summary of Professionals and Fees

Exhibit C – Summary of Expenses

Exhibit D – Summary of Services

[Dated:January 14, 2011]

**AP Services, LLC**

By: /s/ Albert A. Koch  
Albert A. Koch  
Authorized Representative  
AP Services, LLC  
2000 Town Center, Suite 2400  
Southfield, MI 48075

Exhibit A

AP Services, LLC

Summary of Compensation and Expenses – Motors Liquidation Company, et al.  
f/k/a General Motors Corp., et al.  
September 1, 2010 through November 30, 2010<sup>1</sup>

**North America**

<b>Period</b>	<b>Fees</b>	<b>Expenses</b>	<b>TOTAL</b>
September 1, 2010 to September 30, 2010	\$3,115,286.00	\$129,897.29	\$3,245,183.29
October 1, 2010 to October 31, 2010	\$2,662,005.50	\$190,411.40	\$2,852,416.90
November 1, 2010 to November 30, 2010	\$2,743,764.50	\$97,681.76	\$2,841,446.26
<b>Total Accrued</b>	<b>\$8,521,056.00</b>	<b>\$417,990.45</b>	<b>\$8,939,046.45</b>
Less: Travel (50%)	(335,007.00)	-	(335,007.00)
<b>Total Invoiced</b>	<b>\$8,186,049.00</b>	<b>\$417,990.45</b>	<b>\$8,604,039.45</b>

**Strasbourg Support<sup>2</sup>**

<b>Period</b>	<b>Fees</b>	<b>Expenses</b>	<b>TOTAL</b>
September 1, 2010 to September 30, 2010	\$48,211.32	\$3,953.82	\$52,165.14
October 1, 2010 to October 31, 2010	\$32,344.83	\$3,830.95	\$36,175.78
November 1, 2010 to November 30, 2010	\$0.00	\$0.00	\$0.00
<b>Total Accrued</b>	<b>\$80,556.15</b>	<b>\$7,784.77</b>	<b>\$88,340.92</b>
Less: Travel (50%)	(7,135.12)	-	(7,135.12)
<b>Total Invoiced</b>	<b>\$73,421.03</b>	<b>\$7,784.77</b>	<b>\$81,205.80</b>

**North America & Strasbourg Support Combined Totals**

<b>Period</b>	<b>Fees</b>	<b>Expenses</b>	<b>TOTAL</b>
September 1, 2010 to September 30, 2010	\$3,163,497.32	\$133,851.11	\$3,297,348.43
October 1, 2010 to October 31, 2010	\$2,694,350.33	\$194,242.35	\$2,888,592.68
November 1, 2010 to November 30, 2010	\$2,743,764.50	\$97,681.76	\$2,841,446.26
<b>Total Accrued</b>	<b>\$8,601,612.15</b>	<b>\$425,775.22</b>	<b>\$9,027,387.37</b>
Less: Travel (50%)	(342,142.12)	-	(342,142.12)
<b>Total Invoiced</b>	<b>\$8,259,470.03</b>	<b>\$425,775.22</b>	<b>\$8,685,245.25</b>

<sup>1</sup> Under the terms of the First Amendment to the Engagement Letter, APS agreed to reduce its hourly fees from and after July 10, 2009, the effective date of the sale of Debtors' primary assets to General Motors Company. Pursuant to the Third Amendment to the Engagement Letter, which was approved by this Court on September 17, 2010, the hourly rates were increased to APS' standard hourly rates retroactive to July 10, 2009. As of August 1, 2010, this Quarterly Fee Report reflects the standard hourly rates approved.

<sup>2</sup> Under the terms of the Second Amended Engagement Letter, work performed for General Motors Strasbourg, SAS, effective September 1, 2009, was billed at standard local rates converted to USD as of the last day of the billing period, and paid directly by General Motors Strasbourg, SAS. Work for General Motors Strasbourg, SAS ended as of October 8, 2010.

**AP Services, LLC**  
**Summary of Professional Fees – Motors Liquidation Company, et al.**  
**f/k/a General Motors Corp., et al.**  
**September 1, 2010 through November 30, 2010**

<b>North America</b>							
<b>Temporary Staff Officer and Director Positions</b>							
Name of Professional	Position Title	2010 Standard Rate	Sep-10	Oct-10	Nov-10	Total Hours	Total Compensation
Albert A Koch	President and CEO	\$835.00	159.90	133.20	109.70	402.80	\$336,338.00
Edward J Stenger	Executive Vice President	\$835.00	117.00	36.30	118.00	271.30	\$226,535.50
David F. Head	Vice President	\$710.00	180.80	158.40	154.00	493.20	\$350,172.00
Tom A. Morrow	Vice President	\$710.00	108.50	93.00	118.80	320.30	\$227,413.00
Carianne J M Basler	Vice President	\$710.00	200.10	96.80	180.50	477.40	\$338,954.00
James M. Redwine	Vice President	\$670.00	187.60	212.90	190.60	591.10	\$396,037.00
Christian B. Cook	Vice President	\$620.00	155.10	31.60	4.20	190.90	\$118,358.00
Kyle A. Braden	Vice President, Secretary and CRO	\$580.00	203.30	178.80	187.20	569.30	\$330,194.00
James Selzer	Vice President and Treasurer	\$580.00	201.20	237.80	239.10	678.10	\$393,298.00
Sub-Total			1,513.50	1,178.80	1,302.10	3,994.40	\$2,717,299.50

<b>Temporary Staff<sup>3</sup></b>							
Name of Professional	APS Position Title	2010 Standard Rate	Sep-10	Oct-10	Nov-10	Total Hours	Total Compensation
Paul Borrusch	Director	\$670.00	2.00		0.70	2.70	\$1,809.00
Cliff W. Campbell	Director	\$670.00	25.50			25.50	\$17,085.00
Susan A. Brown	Director	\$670.00	210.60	165.20	185.40	561.20	\$376,004.00
Timothy Yost	Director	\$620.00	30.25	34.50	25.30	90.05	\$55,831.00
Michael Hartley	Director	\$620.00		1.50	1.00	2.50	\$1,550.00
Michael P. Deighan	Director	\$620.00	212.20	216.70	196.70	625.60	\$387,872.00
Sean Renshaw	Director	\$620.00			1.80	1.80	\$1,116.00
Bryan Gaston	Director	\$580.00	213.10	221.60	207.20	641.90	\$372,302.00
Susan G. Budd	Director	\$580.00	174.50	72.60		247.10	\$143,318.00
Drew Lockard	Director	\$580.00	119.40	75.20	58.70	253.30	\$146,914.00
John Franks	Director	\$580.00	14.80	14.50	20.20	49.50	\$28,710.00
Scott R. Hamilton	Director	\$530.00	181.20	161.10	196.00	538.30	\$285,299.00
Scott Haeger	Director	\$530.00	250.10	200.90	169.60	620.60	\$328,918.00
Michelle R. Smith	Director	\$530.00	193.80	194.50	168.80	557.10	\$295,263.00
Bill Nowicke	Vice President	\$500.00	132.20	164.60	169.70	466.50	\$233,250.00
Patrick Healy	Vice President	\$500.00	192.10	200.20	158.90	551.20	\$275,600.00
Robert Losier	Vice President	\$500.00	181.20	182.10	150.30	513.60	\$256,800.00
Alan T. Neuhoff	Vice President	\$500.00	8.70	8.80	2.30	19.80	\$9,900.00
Evelyn Ni	Vice President	\$470.00	99.00	174.90	166.60	440.50	\$207,035.00
J. Timothy Neis	Vice President	\$470.00	198.40	215.50	189.20	603.10	\$283,457.00

<sup>3</sup> AP Services, LLC (“APS”) may determine, from time to time, to augment its professional staff with independent contractors (each an “Independent Contractor”) in these chapter 11 cases. APS’ standard practice is to charge for an Independent Contractor’s services at the rate equal to the compensation provided by APS to such Independent Contractor. APS did not bill time for Independent Contractors during this Staffing Period.

**AP Services, LLC**  
**Summary of Professional Fees – Motors Liquidation Company, et al.**  
**f/k/a General Motors Corp., et al.**  
**September 1, 2010 through November 30, 2010**

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<b>Temporary Staff</b>							
Name of Professional	APS Position Title	2010 Standard Rate	Sep-10	Oct-10	Nov-10	Total Hours	Total Compensation
Toby A. Deligtisch	Vice President	\$470.00	4.35	4.20	2.80	11.35	\$5,334.50
Brian Huffman	Vice President	\$470.00	228.20	204.10	194.40	626.70	\$294,549.00
John Niesen	Director	\$450.00		0.40	1.40	1.80	\$810.00
Brian Rosenthal	Vice President	\$395.00	195.60	160.90	194.50	551.00	\$217,645.00
Tony Muzzin	Associate	\$360.00	208.90	208.20	142.00	559.10	\$201,276.00
James Hogarth	Associate	\$360.00		41.60	174.70	216.30	\$77,868.00
Matthew Roling	Associate	\$360.00	186.80	185.80	136.70	509.30	\$183,348.00
Juan C Menendez	Associate	\$320.00	141.50	176.50	187.50	505.50	\$161,760.00
Josiah Tubbs	Associate	\$320.00	112.90	2.60	73.70	189.20	\$60,544.00
Dipes Patel	Associate	\$280.00	219.80	178.40	184.20	582.40	\$163,072.00
Kimberly Cote	Associate	\$280.00		1.20	14.80	16.00	\$4,480.00
Patrick N. Clark	Associate	\$280.00	205.40	194.90	176.50	576.80	\$161,504.00
Alexandra Griffin	Analyst	\$260.00	44.90	26.70	37.90	109.50	\$28,470.00
Brittany M. Teal	Analyst	\$260.00	111.60	48.30	74.30	234.20	\$60,892.00
Reid Cuming	Analyst	\$260.00			20.00	20.00	\$5,200.00
Bobbie J. Phillips	Analyst	\$245.00	95.40	129.60	167.20	392.20	\$96,089.00
Barbara Ferguson	Analyst	\$245.00	0.40	0.60	55.50	56.50	\$13,842.50
Jeff Ivester	Analyst	\$245.00	16.90	50.70	25.00	92.60	\$22,687.00
Alex U Gass	Analyst	\$245.00			23.60	23.60	\$5,782.00
Chris Watts	Analyst	\$245.00	129.40	87.80	88.10	305.30	\$74,798.50
Ben Barr	Analyst	\$245.00	207.50	171.10	167.30	545.90	\$133,745.50
Lawrence Allison	Analyst	\$230.00		2.25	7.00	9.25	\$2,127.50
Wally Li	Analyst	\$230.00	11.30	10.70	3.30	25.30	\$5,819.00
Stanley Washington	Analyst	\$230.00	0.85	1.70	3.40	5.95	\$1,368.50
Nick Madurkar	Analyst	\$230.00			1.50	1.50	\$345.00
Trevor Wick	Analyst	\$225.00	0.50		4.40	4.90	\$1,102.50
Cara Schmidt	Paraprofessional	\$190.00			19.10	19.10	\$3,629.00
Stephen Tucker	Paraprofessional	\$190.00	73.20	33.20	27.40	133.80	\$25,422.00
Torrey Jordan	Paraprofessional	\$190.00	36.50			36.50	\$6,935.00
Tassie Powers	Paraprofessional	\$190.00			3.10	3.10	\$589.00
Lori Hawkins	Paraprofessional	\$190.00	33.90	13.10	7.90	54.90	\$10,431.00
Susanna E Kim	Paraprofessional	\$190.00	59.40		26.70	86.10	\$16,359.00
Natalie P. Meuche	Paraprofessional	\$190.00	92.50	14.20	108.10	214.80	\$40,812.00
Mary B Betik	Paraprofessional	\$190.00	0.50		36.80	37.30	\$7,087.00
	Sub Total		4,857.25	4,254.65	4,457.70	13,569.60	\$5,803,756.50
	GRAND TOTAL		6,370.75	5,433.45	5,759.80	17,564.00	\$8,521,056.00

AP Services, LLC  
Summary of Professional Fees – Motors Liquidation Company, et al.  
f/k/a General Motors Corp., et al.  
September 1, 2010 through November 30, 2010

Temporary Staff									
Name of Professional	APS Position Title	Sept-10 Rate	Oct-10 Rate	Nov-10 Rate	Sept-10 Hours	Oct-10 Hours	Nov-10 Hours	Total Hours	Total Compensation
Reese McNeil	Vice President	\$505.89	\$513.41	\$0.00	95.30	63.00		158.30	\$80,556.15
					95.30	63.00	0.00	158.30	\$80,556.15

<sup>4</sup> The engagement of General Motors Strasbourg, SAS ended as of October 8, 2010.

AP Services, LLC  
Summary of Expenses – Motors Liquidation Company, et al.  
f/k/a General Motors Corp., et al.  
September 1, 2010 through November 30, 2010

North America				
Expense Categories	Sep-10	Oct-10	Nov-10	TOTAL
Airfare	\$60,201.31	\$84,277.59	\$36,283.40	\$180,762.30
Cab Fare / Ground Transportation	12,202.59	11,183.77	8,123.86	31,510.22
Copy Costs (Outside Source)	59.36			59.36
Client Contact Meetings	75.20	1,605.85	1,489.44	3,170.49
Conference Calls	322.62	2,714.16	2,687.75	5,724.53
Currency Conversion		21.63		21.63
Lodging	39,377.16	65,452.28	32,693.92	137,523.36
Long Distance Calls	620.62			620.62
Meals & Tips	3,685.41	5,280.96	3,074.05	12,040.42
Meals Engagement Team	1,657.03	3,807.67	1,794.32	7,259.02
Mileage	2,772.80	2,863.00	4,855.95	10,491.75
Gas/Fuel	415.69	493.68	362.54	1,271.91
Public Transportation	53.25	6.00	20.00	79.25
Other	170.00			170.00
Postage/Messenger/Courier	287.56	1,595.44	346.69	2,229.69
Parking & Tolls	1,410.60	1,845.19	1,401.95	4,657.74
Phone - Internet Access	87.96			87.96
Research		281.28	22.56	303.84
Rental Car	6,114.00	8,928.20	4,474.89	19,517.09
Storage	20.33	20.31	40.34	80.98
Supplies		2.39		2.39
Train	363.80	32.00	10.10	405.90
<b>TOTAL</b>	<b>\$129,897.29</b>	<b>\$190,411.40</b>	<b>\$ 97,681.76</b>	<b>\$417,990.45</b>

Strasbourg Support				
Expense Categories	Sep-10	Oct-10	Nov-10	TOTAL
Airfare	\$952.97	\$1,017.72	\$0.00	\$1,970.69
Bank Charges	15.00	-	-	\$15.00
Cab Fare / Ground Transportation	277.58	279.03	-	\$556.61
Currency Conversion	16.41	6.32	-	\$22.73
Ground Transportation Booking Fee			-	\$0.00
Lodging	2,033.26	1,891.21	-	\$3,924.47
Meals & Tips	270.68	402.26	-	\$672.94
Parking & Tolls/Gas	252.30	93.29	-	\$345.59
Train	135.62	141.12	-	\$276.74
<b>TOTAL</b>	<b>\$3,953.82</b>	<b>\$3,830.95</b>	<b>\$0.00</b>	<b>\$7,784.77</b>

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al., f/k/a  
General Motors Corp., et al.  
June 1, 2009 through August 31, 2009

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The following summary of services includes services performed by APS on behalf of the Debtors during the time period September 1, 2010 through November 30, 2010 (the “Quarterly Period”).

- The Bankruptcy Advisory and Bankruptcy Management Support teams:
  - Received conditional approval of Disclosure Statement for Joint Chapter 11 Plan of Liquidation (“POL”) from the Federal Bankruptcy Court for the Southern District of New York on October 21, 2010.
  - Continued to modify timeline for POL process including dates for necessary court hearings and time allotment for constituent negotiations.
  - Supported POL and Environmental Response Trust (“ERT”) negotiations with surety bond information.
  - Finalized settlement with New GM resolving multiple issues in dispute between the parties resulting in a reduction of remediation costs by \$3.5 million, avoiding a potential \$24 million secured claim, and potentially recovering \$9 million for DIP lenders.
  - Developed budget and plan for operation of General Unsecured Committee Trust (“GUC”).
  - Monitored New GM business plan and evaluated tag along rights for equity holdings.
  - Conducted review of potential recoveries under Directors & Officers insurance.
  - Developed plans and modeled distribution of New GM securities to claimants and trust unit holders.
  - Efforts related to Tax Claims:
    - Maintained the consensual resolution strategy for priority and secured tax claims consistent with the Master Sale and Purchase Agreement (“MSPA”) previously developed with New GM.
    - Continued efforts to resolve adjourned claims such that claimants understand New GM is responsible for the liability and withdraw their opposition to their claims being expunged. Substantive claimants include the IRS, and the states of Ohio and Michigan, and municipalities such as New York City and San Francisco.
    - Evaluated the 14 newly added claims and objected to them as appropriate.

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
f/k/a General Motors Corp., et al.  
September 1, 2010 through November 30, 2010

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- Expunged by Bankruptcy Court Order or negotiated consensual withdrawals for 65 claims totaling \$305 million, including:
    - Seven claims previously objected to and adjourned objections totaling \$252 million.
  - Identified additional objectionable tax claims, including:
    - Nine tax claims totaling \$1 million that will be subject to a No Liability omnibus objection in the future if New GM cannot resolve the claims.
    - An additional 24 tax claims totaling \$1million that will be subject to various No Liability omnibus objections later in 2011.
  - Efforts related to Accounts Payable claims:
    - Continued efforts to resolve accounts payable claims, resulting in the withdrawal of 91 claims with an aggregate value of approximately \$211.2 million. In addition, out of the total \$445.8 million filed claims, there are an additional \$42.8 million that have been ordered expunged and \$83.6 million that has been identified for objection or pending withdrawal, leaving claims with an aggregate value of \$108.2 million– the majority of which will be included on future objections.
    - Coordinated efforts with New GM and some of their key vendors (e.g. Delphi) with regards to resolving and reducing high dollar claims.
  - Efforts related to Contracts and Leases:
    - Continued to collect information for, analyzed, and tracked rejected contracts, interfacing between New GM management, Debtor's counsel and claimants.
    - Continued to estimate damages for all rejected contracts to prepare reconciliation of estimates to filed rejection damage claims.
      - Collected and reviewed rejected contracts for termination clauses, minimum financial obligations and other key factors for estimating potential damage claims.
      - Interfaced with counsel and New GM managers to understand and assess damages on more complex rejected contracts.

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
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September 1, 2010 through November 30, 2010

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- Prepared analyses of major supplier and joint venture contract claims, in furtherance of settlement negotiations
    - Validated bases of initial claim, requesting and analyzing supporting documentation where required.
    - Collaborated with New GM managers for historical perspective.
    - Created baseline settlement negotiation stance and work with bankruptcy counsel to finalize negotiation positions and settlement targets.
  - Together with Debtor's counsel, analyzed and began negotiating settlement agreements for multi-million dollar dealer claims.
  - Performed analysis on contracts remaining with MLC for rejection and assumption in advance of plan confirmation.
  - Efforts related to Debt claims:
    - Received orders to expunge 18,097 claims totaling \$754 million related to Wilmington Trust beneficial bondholders.
    - Prepared additional objections to Wilmington Trust beneficial bondholder claims. Objections are expected to be ordered prior to the plan confirmation date.
    - Prepared analysis of all debt claims that considered Original Issuance Discounts which were initially excluded from the scheduled liabilities. Performed a thorough review and reconciliation of each debenture resulting in final balances for the plan.
    - Final stipulation to fix and allow the claim amounts of the Industrial Revenue Bonds has been reviewed and approved. We are expecting to execute the stipulation prior to the confirmation date.
    - Prepared exhibits to support objection to over 6,500 claims related to Euro Bonds. Objections have been filed and are expected to be ordered prior to the plan confirmation date.
  - Efforts related to Environmental claims:
    - Received five additional environmental proofs of claim for a total to date of 482 claims for a filed amount totaling \$7.43 billion.

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
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September 1, 2010 through November 30, 2010

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- Obtained Court orders to expunge, or negotiated the withdrawal, of 67 claims with a filed amount totaling \$1.21 billion.
  - Continued analysis for preparation of 502(e)(1)(B) objection motions for 228 claims with filed amounts totaling \$2.34 billion in favor of contacting these claimants to withdraw or settle their claims.
  - Expanded the telephone campaign to contact Potentially Responsible Parties (“PRPs”) to include the 228 claims for \$2.34 billion associated with 502(e)(1)(B) Omnibus objections. Contacted claimants to have them withdraw their redundant claims for a single site, such that we are left with one PRP claim per site to resolve. We also worked through claim settlements for a number of these sites. Results of the PRP call campaign are as follows:
  - Settled 44 claims with filed amounts originally totaling \$131.8 million for an allowed claim of \$8.2 million.
  - Obtained withdrawals included in the 67 withdrawals previously noted. In addition, 17 withdrawals are pending for \$116.4 million.
  - Began initial settlement discussions with Federal and State Governmental entities in order to settle these \$2.9 billion in filed claims.
  - Filed an omnibus objection for 63 claims to reclassify \$691.1 million in secured claim amounts to an unsecured classification. We obtained Bankruptcy Court order for the reclassifications.
  - Efforts related to Employee claims:
    - Completed review of all secured, admin, and priority employee claims:
      - Filed additional omnibus objections to 115 claims representing \$5 million of current secured, admin, or priority amounts.
      - Letter campaign launched for claims requesting liquidated amount and/or supporting documentation.
    - Initiated review of 2400 unsecured employee claims, of which 1000 are in process of filing for omnibus objection.

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
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September 1, 2010 through November 30, 2010

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- Identified claimants' possible union affiliation, current status, and appropriate pay status (salaried/hourly).
  - Summarized claimants' basis and description of supporting documentation to identify potential candidates for letter campaign for further review.
  - Efforts related to Asbestos claims:
    - Participated in negotiation of 2004 examination settlement
    - Reviewed anonymity protocol settlement.
    - Prepared forecasts of litigation costs to negotiate asbestos claim amount.
    - Coordinated with counsel to monitor settlement discussions.
    - Negotiated settlement of Remy claim for asbestos indemnification.
  - Other efforts related to claims:
    - Prepared additional analysis of late filed claims; coordinated with counsel and Debtors' claims agent to prepare omnibus objections to expunge claims. Objections will be heard in early February.
    - Assigned claims to voting classes to support creation of ballots according to voting procedures.
    - Created analysis of claim classes to support efforts related to POL.
    - Coordinated with claims agent to prepare solicitation and voting packages, reconcile voting amounts and reconcile plan class assignments.
    - Coordinated with counsel to resolve claims adjourned from previous omnibus objections.
    - Managed and reconciled transfers of claim ownership interests received from the Debtors' claims agent.
  - The Litigation Claims team
    - At the start of the Quarterly Period, there were 2,900 litigation claims, including products liability, personal injury and wrongful death claims; class action claims; and indemnification and subrogation claims. As of

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
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September 1, 2010 through November 30, 2010

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November 30<sup>th</sup>, 2010, the total amount of outstanding litigation claims at November 30th was approximately \$4.6 billion -- a reduction of \$817 million from the start of the Quarterly Period. To achieve this reduction, the Litigation Claims team:

- Continued to execute Alternative Dispute Resolution Procedures approved by the Bankruptcy Court on February 23, 2010 for the 73 matters designated in the previous quarters not yet resolved as of September 1, 2010.
- Settled 26 claims related to 9 matters during offer exchange, which resulted in a reduction in claims of nearly \$161 million from capped amounts of \$168 million. Original filed claims amounts related to these matters totaled approximately \$1.9 billion and were reduced as a result of accepted cap offers as reported and recognized during previous quarterly periods. In total, the ADR process resulted in a reduction of the filed claims amount of 98%.
- Worked with defense counsel to prepare mediation statements and formulate negotiation strategy for nearly 40 ADR matters designated for mediation during the period.
- Successfully mediated 37 matters with Debtors' counsel and defense counsel. Settlement reached during mediation resulted in allowed claims of \$50 million versus a capped amount of over \$581 million. Original filed claims amounts related to these matters totaled approximately \$1.2 billion. An additional 16 matters are scheduled for mediation during the next quarter.
- Continued to evaluate cap offers and accepted 31 matters for the ADR process. Capping offers associated with these claims will reduce the amount outstanding in the litigation claims category by \$192 million.
- Identified claims totaling \$303 million associated with 18 litigation matters to be included in the next round of ADR.
- Drafted executive summaries of all matters included in second round of ADR and coordinated with defense counsel on preparation of these matters for mediation.
- Created memorandums and analyses of the matters included in the second round of ADR process to assist in internal evaluation of claims and for dissemination of certain items to various audiences, including the Creditors' Committee and the Debtors' Board of Directors.

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
f/k/a General Motors Corp., et al.  
September 1, 2010 through November 30, 2010

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- Formulated settlement offers for matters selected for second round of ADR, and provided notice of these offers (where required) to the Creditors' Committee.
  - Prepared and disseminated ADR notices and settlement offers to claimants selected for second round of ADR.
  - Evaluated and responded to counteroffers received as needed, and disseminated revised settlement offers to claimants.
  - Managed the Debtors' litigation database and coordinating transfer of information between the database and claims register, which required daily updates to the database, interaction with New GM's legal department, the Debtors' defense counsel, and the claims processing team.
  - Continued to identify claims for objection and request withdrawals of duplicate and invalid claims.
  - Continued to evaluate unliquidated claims and solicited liquidated amounts from an original fully unliquidated count of approximately 330 claims.
  - Continued calling campaign to obtain liquidated amounts from additional claimants.
  - Developed strategies for resolving the 118 remaining unliquidated and zero dollar claims, including objections, ADR designations and estimations.
- The Communication team:
    - Managed the Debtor's call center which received over 3,159 inquiries via voicemail, email and written correspondence during the quarterly period. To that end, members of the Communications team:
      - Processed and returned voicemail and email inquiries from creditors, investors, litigation claimants, counsel, former employees and other parties in interest. The range of inquiries was wide and varied, including topics such as Alternative Dispute Resolution procedures and deadlines, liquidation letters, capping letters, settlement offers, (with these topics approximating 1,772 inquiries or 47.3%). Additional topics included insufficient document letter campaign, omnibus objections, litigation inquiries, real estate acquisitions, vendor inquiries, subrogation claim inquiries from insurance

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companies, tax inquiries, product liability claims, and requests for name and address change for claimholders.

- Responded to a myriad of shareholder and bondholder issues (approximately 1,437 inquiries or 38.3%), including inquiries from debt-holders who received the objection to duplicate individual bond claims. Provided copies of objections, the current reorganization plan and disclosure statement. Clarified for investors the difference between the securities class-action suit versus the bankruptcy proceeding, as well as explained to investors the impact of New GM's IPO on the existing MLC shares and debt. Responded to questions submitted from a multitude of foreign investors which required translation and other special handling procedures. Responded to questions regarding the notice to exercise stock powers to amend the certificate of incorporation.
  - Handled inquiries regarding environmental matters from buyers who purchased equipment potentially contaminated with PCBs from the Massena, New York plant, as well as from other interested parties regarding a proposed groundwater investigation and plans for remediation pending at a MLC property.
  - Answered questions from former employees and customers who received objections to workers compensation claims, pension claims and incorrectly classified claims, respectively.
  - Managed technical aspects of the call center, including regular retrieval of voicemail to prevent overflow of mailboxes and prompt response of timely requests.
- The Fee Management team:
    - Reviewed and approved monthly invoices of retained and ordinary course professionals.
    - Prepared ongoing analysis of retention and invoicing expense for retained professionals.
    - Prepared professional fee budgets.
    - Prepared APS monthly invoices.
    - Prepared APS Monthly Staffing Reports and Quarterly Fee Reports for filing with the Court.
    - Interacted with retained professionals and Fee Examiner to assist parties in the evaluation of the Second and Third fee applications.

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- The Risk Management team continued management of insurance related matters:
    - Analyzed workers compensation exposure in the four default states (AL, GA, OK and NJ) and identified potential sources of recovery of drawn surety bonds.
    - Reviewed requirements of the city of Lansing, Michigan for renewal of demolition permit and responded to increased bonding request. Prepare for property insurance renewal.
    - Developed information in anticipation of requests regarding insured properties.
    - Developed strategy to allow assignment of policies to ERT.
    - Reviewed D&O insurance for board review and discussion of post-emergence claim window.
    - Worked with insurers Aon and Chartis to reconcile insurance collateral and recover \$1.8 million in excess collateral.
  - The Environmental Management team:
    - Finalized and filed Environmental Remediation Trust Settlement Agreement and Consent Decree (“ERT”).
    - Finalized settlement agreements and consent decrees for priority order sites.
    - Exchanged historical spend data for all MLC owned sites with 2010 activity in order to fulfill requirements of ERT to seek concurrence from the lead environmental agencies.
    - Shared project memos, change orders and 2010 forecasted remediation spend by site with lead environmental agencies in order to gain consensus concerning future environmental remediation spending.
    - Prepared and presented materials and information related to status and progress of environmental team to proposed incoming ERT Trustee.
    - Assisted MLC real estate team with unwinding environmental permits at sites New GM exited in order to reduce MLC holding costs.
    - Completed stipulation between MLC and New GM which addressed transfer of Saginaw landfill and Willow Run Company Vehicle Operations sites and other various cost sharing with transition issues.

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- Prepared updated environmental sections of POL and disclosure statements.
- Initiated consolidation of MLC contracts and key contact information in preparation for transition of responsibilities to the ERT's trustee.
- Completed removal of foundry sand at Saginaw Metal Casting Operations per negotiated agreement with New GM.
- Continued to ensure compliance with environmental laws and regulations across all MLC owned sites.
- Worked with United States Department of Justice, the United States Department of the Treasury, the Environmental Protection Agency and state environmental agencies regarding cost estimates to remediate MLC owned properties.
- Implemented process and information required to review remediation costs with lead agency personnel responsible for approval of same and obtained approvals.
- Supported handover of GMPT - Fredericksburg, GMPT - Livonia, and specific sections of GM sites in Flint, Michigan to MLC in order to ensure compliance with terms of transition agreement between New GM and MLC and environmental laws and regulations.
- Continued environmental support of MLC's demolition work to ensure regulatory compliance.
- Continued significant focus on efforts to review and settle third party site superfund claims.
- Supported MLC equipment sales by establishing processes and procedures to ensure potential contaminants are identified and removed prior to the assets' sale. Process implemented for asset sales at Massena, Pontiac Centerpoint West, Pontiac North, Pontiac Assembly, Willow Run, Flint North, and Grand Rapids Stamping.
- Initiated discussions with New GM regarding the path forward for the Mercury Switch program and potential transition of obligation from MLC to New GM.
- Performed corrective action work at approximately 50 MLC owned applicable sites, including meetings with regulators as required.
- Designed cost tracking systems for ERT budget compliance.

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- Prepared budgets for 2011 environmental work and spend.
  - Updated 2010 environmental forecast for operation, maintenance & monitoring and remediation and investigation spend, for sharing with lead regulators per ERT requirements.
  - The Asset Management and Redevelopment team:
    - Real Estate
      - Identified six priority properties estimated to close sales on or around plan confirmation: Pontiac North (includes buildings 15, 25 and Fiero warehouse), Pontiac Centerpoint Campus, ACG Penske site, Moraine Assembly, Parma (City and Powertrain parcels), and Grand Rapids Stamping.
      - Finalized negotiations and purchase agreement language for the potential sale of Pontiac North properties (Buildings 15 and 25, Fiero warehouse). Received formal written approval from City of Pontiac for the sale.
      - Finalized negotiations and purchase agreement language for the sale of Pontiac Centerpoint Campus (West, Central and Assembly)
      - Purchase agreement signed for sale of 6 acre parcel to City of Parma and received formal written approval from City of Parma. State consent package submitted to State for review.
      - Purchase agreement signed for sale of ACG Penske site. Received formal written approval from City of Pontiac for the sale. State consent package submitted to State for review.
      - Completed call for bids for Moraine property; finalized negotiations and purchase agreement language.
      - Completed call for bids for Grand Rapids property. Finalized negotiations and purchase agreement language.
      - Actively managed constituent communications with local, state, and federal stakeholders.
      - Engaged in a continuing open dialogue with the Presidential Task Force on the Auto Industry, Automotive Communities Task Force, the EPA, the UST and local economic development groups to discuss potential property reuse and job creation opportunities.

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- Conducted ongoing management and reduction of holding costs, including reduction in utility costs and vendor renegotiations for properties remaining with the Debtors.
  - Coordinated with NewGM regarding subdivision and separation sites; survey and title work for these sites is ongoing.
  - Conducted weekly site management reviews for each of 13 sites.
  - Continued to work with counsel on prosecution of the adversary proceeding against MCM and resolution of MCM's lien claims.
  - Machinery and Equipment ("M&E") Sales
    - Held Grand Rapids Plant auction. Proceeds totaled \$8.9 million compared to a budget of \$8 million.
    - Held Livonia Plant Auction. Proceeds totaled \$4.6 million compared to a budget of \$2.5 million.
    - Held Pontiac Stamping Auction. Proceeds totaled \$1.3 million compared to a budget of \$.93 million.
    - Held Pontiac Assembly Plant Auction. Proceeds totaled \$1.4 million compared to a budget of \$1.5 million.
    - Held other private sales of M&E totaled \$3.5 million out of Mansfield Stamping, Willow Run, Indianapolis Stamping, and Flint North.
  - Demolition and Site Management
    - Completed the demolition of Saginaw Malleable Iron 6 weeks early and under budget.
    - Completed demolition of Flint North Plant 38.
    - Completed demolition of Romulus Engineering Center and received final payment from Demolition Contractor.
    - Submitted Massena Demolition Site Operating Plan to EPA for review and approval.
    - Began asbestos abatement of Flint North Plant 31 in preparation of demolition of the oldest surviving structure on the Flint North property.
    - Completed 30% of the structural demolition of Flint North Plant 36.

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- Completed utility, security and other services set-up for Flint North property hand-off from New GM.
  - Awarded demolition project for two Bedford, Indiana houses.
  - Oversaw and managed MLC's property portfolio including supervising and directing day to day activities of 14 full-time site managers and five additional property management companies. Ensured proper, efficient and cost effective maintenance and care of property portfolio with annual budget (excluding environmental costs) of approximately \$25 million.
  - Sourced and retained three site managers in Livonia, Fredericksburg and Mansfield. Coordinated and managed GM's exit of property in accordance with lease terms and other applicable legal obligations. Transferred/implemented all utilities, security and other services necessary to operate and maintain the facility.
  - GM Strasbourg ("GMS") team:
    - Completed necessary requirements to obtain US bankruptcy court and French commercial court approval of transaction.
    - Completed sale of GMS to New GM.
    - Advised and assisted GMS management in development of business plan accommodating buyer requirements.
    - Advised and assisted GMS management in development of cost reduction plan and presented to buyer.
    - Advised and assisted the GMS management in cash management activities and update of financial forecasts.
    - Coordinated communications activities related to Strasbourg sale.

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- The Finance and Accounting team:
  - Prepared and updated corporate governance policies.
  - Prepared weekly cash receipts and disbursements reports.
  - Prepared monthly and year-to-date actual to wind-down budget variance analysis reports.
  - Prepared variance and professional fee analyses for monthly presentations to the Unsecured Creditors' Committee ("UCC").
  - Developed and revised drafts of presentation materials regarding financial projections for the POL. Prepared materials detailing the assumptions underlying the projections. Created schedules and analyses as requested by outside parties.
  - Developed Disclosure Statement and Disclosure Statement exhibit including financial projections and assumptions in support of the POL.
  - Managed allocation and investment of cash and cash equivalents investments portfolio.
  - Continued to consolidate bank accounts and cash management functions into the Debtors' master funding and disbursement accounts.
  - Prepared and filed Monthly Operating Reports with the Bankruptcy Court for August and September.
  - Coordinated and oversaw professional fee payments to ensure compliance with applicable rules and Bankruptcy Court orders.
  - Researched and responded to multiple vendor inquiries.
  - Managed communications with creditors regarding financial information, including information about 1) financial results, 2) claims reconciliation, and 3) asset dispositions.
  - Managed quarterly internal control review and transaction testing performed by MLC's independent accountants.
  - Continued development of detailed procedures for accounting, treasury, environmental, professional fees and asset sale functions.

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- Continued daily administrative and oversight responsibilities for Motors Holding dealerships and established processes to support final dissolution of entities.
  - Continued the wind down and dissolution of the one remaining Saturn dealership, Lou Sob Saturn. Identified recoveries and developed creditor plan.
  - Completed the majority of preparation of the 2009 B-period (July 11 – December 31, 2009) state & local income tax returns for MLC and its subsidiaries.
  - Continued to prepare and timely file required property, sales, use, gross receipts tax returns, and pay associated taxes.
  - Provided continued support and input in the drafting the Plan of Liquidation and Disclosure Statement, this approach should minimize tax issues and exposures when the Plan is executed.
  - Filed a Private Letter Ruling (“PLR”) request on October with the IRS, in order to clarify several tax issues that could otherwise complicate the Plan and create tax issues and exposures for the trusts. Met with the IRS to discuss PLR request.
  - Worked with New GM and other constituents to revise New GM’s corporate charter, which was approved by the New GM shareholders. The revisions should preserve a significant amount of the \$40 billion of tax attributes that were transferred from MLC to New GM, and enhance the value of New GM stock owned by MLC.
  - Filed property tax appeals in a number of states to preserve MLC’s ability to negotiate property tax reductions for the current tax year.
  - Negotiated a settlement with Massena, NY, which reduced the property taxes by 75%, and generated a tax refund for previously paid property taxes.
  - Continued negotiations with Pontiac, Michigan officials in an effort to finalize an agreement to substantially reduce property taxes.
  - Initiated settlement discussions with Romulus, MI, Tonawanda, NY, and Syracuse, NY, regarding the pending property tax appeals.
  - Managed outside legal counsel and other professionals in preparing for an upcoming trial on the Pittsburgh, PA property tax appeal.
  - Supported the claims group in managing in excess of \$3.5 billion of tax claims that have been filed against the estate.

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- Worked to recover approximately \$750,000 in tax refunds from Brazilian tax agency for Vector do Brazil, which would benefit MLC.
- Continued to file documentation with state agencies to withdraw numerous MLC entities from doing business and prepare for eventual dissolution.
- Continued to manage the wind-down of Vector SCM do Brazil Ltda. and Vector SCM Mexico S. de R.L. de CV and other non-debtor entities.
- Developed plans and analysis to support Debtors' proposed POL trust structure for all finance, administration, and other support activities.
- Identified finance and accounting requirements of the ERT, prepared preliminary transition plan for the Treasury and Accounting function, and reviewed with Administrative Trustee.
- Continued to work with New GM to properly separate surety bonds and cash collateral in compliance with the MSPA.
- Solicited quotes and negotiated with IT/Telecom vendors, electricians, movers, and other corporate office related vendors and coordinated corporate office relocation for scheduled year-end move from current MLC office to a new office location.

○ The Management team:

- Assisted in coordinating issue identification, risk mitigation and work plan development across all work streams and regions.
- Led negotiations with Federal agencies.
- Managed executive team and legal counsel in the execution of the bankruptcy.
- Managed executive team in real estate, environmental, property management, equipment disposition, finance and accounting, and GM Strasbourg in discharging operational priorities.
- Managed public relations process including initiating press coverage, MLC press releases, responding to inquiries from local, national and international media and participation in local media events.
- Maintained relationships with New GM executive leadership.
- Reviewed and approved MLC commitments in purchasing, remediation, demolition and other areas.

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